



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-22-2021]

Foreign-Trade Zone (FTZ) 123 – Denver, Colorado, Notification of Proposed Production Activity. Lockheed Martin Corporation, Lockheed Martin Space (Satellites and Other Spacecraft), Littleton, Colorado

Lockheed Martin Corporation, Lockheed Martin Space (formerly Lockheed Martin Space Systems Company) (Lockheed Martin) submitted a notification of proposed production activity to the FTZ Board for its facility in Littleton, Colorado. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on March 17, 2021.

Lockheed Martin already has authority to produce satellites and other spacecraft for space-based use and subsystems for satellites and other spacecraft within Subzone 123G. The current request would add three foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Lockheed Martin from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Lockheed Martin would be able to choose the duty rates during customs entry procedures that apply to satellites and other craft for space-based use and subsystems for satellites and other spacecraft (duty-free). Lockheed Martin would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include rechargeable lithium-ion batteries, electric thrusters, and payload adapter assemblies (duty rate ranges from duty-free to 3.4%). The request indicates that certain materials/components are subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Dated: March 19, 2021.

Andrew McGilvray,
Executive Secretary.

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